

LAW OFFICES  
SHOOK, HARDY & BACON

TWENTIETH FLOOR MERCANTILE BANK TOWER

1101 WALNUT

KANSAS CITY, MISSOURI 64106

(816) 474-6550

TELEX 42-6291

TELECOPIER (816) 421-5547

WASHINGTON, D. C. OFFICE

COOK, PURCELL, HANSEN & HENDERSON

CHARTERED

1015 18TH ST., N. W.

WASHINGTON, D. C. 20036

(202) 659-1050

FRANK P. SEBREE  
(1934-1940)

SAM B. SEBREE  
(1955-1958)

EDGAR SHOOK  
(1894-1970)

DAVID R. HARDY  
(1917-1978)

RUSSELL B. NOBLEY  
CHARLES L. BACON, JR.  
VIVIAN W. WISBERG  
DENNIS R. DOW  
RICHARD E. MCLEOD  
J. SCOTT MCANDLESS  
DIANE S. PERCY  
MICHAEL S. HAYS  
PETER E. STRAND  
JOHN F. MURPHY  
LAURA D. SMITH  
ANNE E. DOUG  
RICHARD L. SANDLER  
MARGARET D. LINEBERRY  
ANDREW SEE  
J. RICHARD GOLUB  
ANNE K. SHUTTEE

JAMES H. OTTMAN  
JENNINGS J. NEWCOM  
OF COUNSEL

CHARLES L. BACON  
DAVID H. CLARK  
LANE D. BAUER  
FRANK P. SEBREE, II  
FREDERICK BEHL  
WILLIAM W. SHINN  
JOHN C. DODS  
DONALD R. HOEL  
JOHN T. MARTIN  
DAVID W. SHINN  
WILLIAM K. WAUGH, JR.  
LEE E. STANFORD  
DAVID K. HARDY  
WILLIAM G. ZIMMERMAN  
ROBERT E. NORTHRIP  
PATRICK McLARNEY  
HARVEY L. KAPLAN  
JOHN C. MONICA

CHARLES R. WALL  
SAM L. COLVILLE  
GENE E. VOIGTS  
JAMES T. NEWSOM  
LEO P. DREYER  
ELWOOD L. THOMAS  
STEPHEN D. ALIBER  
PATRICK M. BIRNIDGE  
DAVID R. MORRIS  
LARRY R. O'NEAL  
LAUREL H. CORN  
ALLEN R. PURVIS  
STEVEN C. PARRISH  
RICHARD D. WOODS  
BERNARD V. O'NEILL, JR.  
GARY R. LONG  
TIMOTHY A. PRATT  
GARY L. WHITTIER

May 5, 1981

Thomas F. Ahrensfield, Esq.  
Max H. Crohn, Jr., Esq.  
Joseph Greer, Esq.  
Arnold Henson, Esq.  
Ernest Pepples, Esq.  
Arthur J. Stevens, Esq.

In Bill Shinn's September 19, 1980 letter, he described a research project on the nonsmoker issue. Phase I of that project was approved at an estimated cost of \$30,000. The estimate was optimistic.

Since approval of Phase I, visits have been made to outside research laboratories to solicit research proposals. It now appears that Battelle Laboratories of Columbus, Ohio, is the preferred institution to perform the research at an estimated cost of approximately \$70,000. The other two outside laboratories that submitted proposals quoted estimates even higher than this figure.

Since only a \$30,000 commitment to finance Phase I of the research project was requested earlier, I wanted to inform you about the increased cost estimate. It is our opinion that the \$70,000 estimate from Battelle is a reasonable figure based on current research costs.

Unless we hear otherwise from you on this matter by May 22, our firm will proceed to enter into the research contract with Battelle after it submits a final proposal and after favorable opinions have been received from members of the Advisory Group on Environmental Tobacco Smoke.

SHOOK, HARDY & BACON

May 5, 1981  
Page Two

If you have any questions about this proposed project,  
please do not hesitate to call.

Sincerely,

  
Patrick M. Sirridge

PMS:sh  
cc: Alexander Holtzman, Esq.

Ms. Janet C. Brown  
Edwin J. Jacob, Esq.